

Cable Franchise Renewal Agreement
by and between
The Village of Rockville Centre, NY
And
Cablevision Systems Long Island Corporation

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THIS CABLE FRANCHISE RENEWAL AGREEMENT (the “Franchise” or “Agreement”) is entered into by and between the Village of Rockville Centre, a validly organized and existing municipal corporation of the State of New York (the “Local Franchising Authority” or “LFA”) and Cablevision Systems Long Island Corporation, a corporation duly authorized to do business in the State of New York (the “Franchisee”).

WHEREAS, the LFA wishes to grant Franchisee a renewal of its nonexclusive franchise to construct, install, maintain, extend and operate a cable system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a “franchising authority” in accordance with Title VI of the Communications Act, (see 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended;

WHEREAS, Franchisee has completed an upgrade of its existing telecommunications and information services network through the installation of a hybrid coaxial-fiber network (“Fiber Network”) in the Franchise Area which transmits both Cable and the Non-Cable Services, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

WHEREAS, the Fiber Network occupies the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the Fiber Network to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the past performance of the Franchisee and the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical, and legal qualifications of Franchisee, and has determined that Franchisee’s Cable System is adequate in a full public proceeding affording due process to all parties;

WHEREAS, the LFA has found Franchisee to be financially, technically and legally qualified to continue to operate the Cable System;

WHEREAS, the LFA has found that Franchisee is and has been in substantial compliance with all terms and provisions in its existing franchise and applicable law;

WHEREAS, the LFA has determined that in accordance with the provisions of the Cable Law, this Franchise complies with the NY PSC’s franchise standards and the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA’s grant of a renewal franchise to Franchisee, Franchisee’s promise to provide Cable Service to residents of the Franchise Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS

Except as otherwise provided herein, the definitions and word usages set forth in the Cable Law are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1 *Access Channel*: A video Channel, which Franchisee shall make available to the LFA without charge for Public, Educational, or Governmental noncommercial use for the transmission of video programming as directed by the LFA.

1.2 *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3 *Basic Service*: The tier of Cable Service which includes the retransmission of primary local television broadcast signals provided to any Subscriber and, to the extent required by applicable law, any PEG Channels required by this Franchise, and which may also include any additional video programming signals as determined by Franchisee.

1.4 *Bundled Service*: The offering of Cable Services with any Non-Cable Service offering for a single aggregate price.

1.5 *Cable Law*: Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, to the extent authorized under and consistent with federal law.

1.6 *Cable Service or Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6), as amended.

1.7 *Cable System or System*: Shall be defined herein as the facility, which is the subject of this Franchise, consisting of antennae, wire, coaxial cable, amplifiers, towers, microwave links, wave guide, optical fibers, optical transmitters and receivers, satellite receiver/transmit antennae, and/or other equipment designed and constructed for the purpose of producing, receiving, amplifying, storing, processing or distributing analog and/or digital audio, video, data or other forms of electronic, electromechanical, optical or electrical signals.

1.8 *Channel*: A portion of the electromagnetic frequency spectrum which is used in the Cable System, and which is capable of delivering a television channel.

1.9 *Communications Act*: The Communications Act of 1934, as amended.

1.10 *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee's affairs.

1.11 *Educational Access Channel*: An Access Channel designated for noncommercial use solely by local public schools and public school districts in the Franchise Area

and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area.

1.12 *FCC*: The United States Federal Communications Commission, or successor governmental entity thereto.

1.13 *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, epidemics, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays resulting from waiting for utility providers to service, maintain or monitor utility poles to which Franchisee's Fiber Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.14 *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA, and such additional areas as may be annexed or acquired.

1.15 *Franchisee*: Cablevision Systems Long Island Corporation, and its lawful and permitted successors, assigns and transferees.

1.16 *Government Access Channel*: An Access Channel available for the sole noncommercial use of the LFA.

1.17 *Gross Revenue*: All revenue, as determined in accordance with generally accepted accounting principles, which is derived by Franchisee from the operation of the Cable System to provide Cable Service in the Service Area.

1.17.1 *Gross Revenue includes, without limitation*: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) Basic Service; (ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including without limitation, Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) pay-per-view and video on demand Cable Service over the Cable System; (iv) revenues from the sale or lease of access channel(s) or channel capacity; (v) Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers; (vi) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation of the revenue specified in this subsection shall be based on the number of Subscribers in the Service

Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue. Subject to Section 12.21 of this Agreement, for the purpose of calculating Franchise Fees paid to the LFA, Gross Revenue shall include Cable Service subscriber revenue in the Franchise Area from DVR functionality.

1.17.2 Gross Revenue shall not include:

1.17.2.1 revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted pursuant herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable franchise fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., the reimbursement by programmers of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing; any fees or charges collected from Subscribers or other third parties for any PEG Grant or Franchise Grant payments used for capital costs; and

1.17.2.2. except as otherwise provided in Subsection 1.17.1, any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders as amended. Should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after notification to Franchisee, to amend

this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment, provided that no such amendment shall be made to this Agreement until such time as all other Cable Service providers operating within the Franchise Area are also required to provide revenue from such service to the LFA as gross revenue (as defined in the franchise agreements of such other Cable Service providers).

1.18 *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(24), as amended.

1.19 *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.20 *Local Franchise Authority (LFA)*: The Village of Rockville Center, New York, or the lawful successor, transferee, or assignee thereof.

1.21 *Non-Cable Services*: Any service that does not constitute the provision of Cable Service to multiple Subscribers in the Franchise Area including, but not limited to, Information Services and Telecommunications Services.

1.22 *Normal Business Hours*: Those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

1.23 *NY PSC*: The New York Public Service Commission.

1.24 *PEG*: Public, Educational, and Governmental.

1.25 *PEG Access Designee*: Any entity designated by the LFA for the purpose of owning and/or operating the equipment and facilities used in the production and/or broadcast of PEG Access Channel programming for the LFA, including but not limited to any access corporation.

1.26 *Person*: An individual, partnership, association, joint stock company, trust, corporation, or other legally recognized or governmental entity.

1.27 *Public Access Channel*: An Access Channel available for noncommercial use solely by the residents in the Franchise Area on a first-come, first-served, nondiscriminatory basis.

1.28 *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.29 *Service Area*: All portions of the Franchise Area where Cable Service is being offered, as described in **Exhibit B** attached hereto.

1.30 *Subscriber*: A Person who lawfully receives Cable Service over the Cable System with Franchisee's express permission.

1.31 *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(53), as amended.

1.32 *Title VI*: Title VI of the Communications Act, Cable Communications, as amended.

1.33 *Transfer of the Franchise*:

1.33.1 Any transaction in which:

1.33.1.1 a fifty percent (50%) or greater ownership interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.33.1.2 the rights held by Franchisee under the Franchise and the certificate of confirmation issued therefor by the NY PSC are transferred or assigned to another Person or group of Persons.

1.33.2 However, notwithstanding Sub-sections 1.33.1.1 and 1.33.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.34 *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20), as amended.

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1 *Grant of Authority*: Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way and such other areas within the Franchise Area where authorized by private or public property owners or applicable law, if such authorization is necessary, in order to provide Cable Service, and for other lawful uses. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2 *The Fiber Network*: Upon delivery of Cable Service, by subjecting Franchisee's mixed-use facilities to the NY PSC's minimum franchise standards and the LFA's police power, the LFA has not been granted broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities. facilities; provided, however, that nothing

herein shall be construed to limit the LFA's existing authority with respect to the Franchisee's mixed use facilities pursuant to applicable law, and lawful and applicable local laws, including any lawful right to compel relocation of such facilities in the event of road-widenings and other similar adjustments to the Public-Rights-of-Way, consistent with the NY PSC rules and regulations and orders.

2.3 *Effective Date and Term:* This Franchise shall become effective on the date that the NY PSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

2.4 *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use itself, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System or Franchisee's Fiber Network.

2.5 *Franchise Subject to Federal Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of federal law as it may be amended, including but not limited to the Communications Act.

2.6 *No Waiver:*

2.6.1 The failure of the LFA on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require compliance or performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance of this Agreement, nor shall it excuse Franchisee from compliance or performance, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2 The failure of the Franchisee on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or such performance has been specifically waived in writing.

2.7 *Construction of Agreement:*

2.7.1 The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2 Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545, as amended.

2.8 *Compliance with Federal and State Privacy Laws:* Franchisee shall comply with the privacy provisions of Section 631 of the Communications Act and all other applicable federal and state privacy laws and regulations. The parties agree that, during the term hereof, Franchisee shall not be subject to any local laws or ordinances which conflict with such applicable federal and/or state privacy laws, or which would impose additional or distinct requirements upon Franchisee with respect to Subscriber privacy other than those which are expressly set forth in applicable federal and/or state privacy laws.

2.9 *Police Powers:* The LFA shall not subject the Franchisee to any local laws that are inconsistent with this Franchise, or any restrictions or conditions on the construction, location, or siting of the System, except for generally applicable requirements consistent with law, provided, however that nothing in this Franchise shall be construed to prohibit the LFA's reasonable, necessary and lawful exercise of the police powers including, without limitation, in addition to the implementation and enforcement of the provisions of this Agreement and existing applicable laws and regulations, the enactment, adoption, implementation and enforcement of such additional laws and regulations as the LFA may deem necessary in the exercise of its police power; provided, however, that such laws and regulations are reasonable, not materially in conflict with the privileges granted in this Franchise and consistent with all federal and state laws, regulations and orders. Furthermore, to the extent that the installation, repair and/or maintenance by Franchisee of any component of the Cable System is lawfully subject to permitting and/or review by the LFA pursuant to the necessary and reasonable exercise of its police power, such permitting and/or review shall not be unreasonably denied or delayed, nor shall any fees be required (other than those necessary to offset the reasonable administrative costs of issuing such permit(s) or otherwise permitted by law), for the right and/or privilege to install, repair or maintain such component. In approving the placement of any such component, the LFA shall limit the basis of its decision to pedestrian and traffic safety, or any other factor permitted by law that are reasonable and considered in a timely manner.

2.10 *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to its pre-existing condition.

2.11 *Restoration of Subscriber Premises:* The Franchisee shall ensure that Subscriber's premises are restored to their pre-existing condition if damaged by the Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service.

3. PROVISION OF CABLE SERVICE

3.1 *Service Commitment Area:* Franchisee shall continue to offer Cable Service to all residential subscribers in the Service Area and may make Cable Service available to businesses in the Service Area, except, in accordance with NY PSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Service Area; (D) in developments or buildings that are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is

economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; (G) in areas where the occupied residential dwelling unit density does not meet the density and other requirements set forth in Sub-Subsection 3.1.1.1 and Section 3.2; (H) in areas, developments, buildings or other residential dwelling units that are not habitable or have not been constructed as of the Effective Date; and (I) to Subscribers who fail to abide by the Franchisee's terms and conditions service.

3.1.1 *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than thirty-five (35) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active Fiber Network trunk or feeder line. Should, through new construction, an area within the Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2 *Availability of Cable Service Generally:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income of the residents in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within one hundred fifty (150) feet of trunk or feeder lines not otherwise already served by Franchisee's Fiber Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed one hundred fifty (150) feet or are in an area with a density of less than thirty-five (35) occupied residential dwelling units per mile and the actual costs incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than thirty-five (35) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility. For underground installations, Franchisee shall charge the recipient Franchisee's actual cost. Such costs shall be submitted to said recipient in writing, before installation is begun.

3.3 *Cable Service to Public Buildings:* Subject to Section 3.1 and subject to federal law and FCC rules and regulations (if applicable), Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each primary or secondary school chartered or licensed by the State of New York and public library, and such other buildings used for municipal purposes as may be designated by the LFA as provided in **Exhibit A** attached hereto; provided, however, that if it is necessary to extend Franchisee's trunk or feeder lines more than five hundred (500) feet solely to provide service to any such school or public building, the LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than five hundred (500) feet of drop cable; provided, however, that Franchisee shall not charge for the

provision of Basic Service to the additional service outlets once installed. For underground installations, Franchisee shall charge the recipient Franchisee's actual cost. Such costs shall be submitted to said recipient in writing, before installation is begun. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

3.4 *Contribution in Aid:* Notwithstanding the foregoing, Franchisee shall comply at all times, with the requirements of Section 895.5 of NY PSC rules and regulations.

4. SYSTEM FACILITIES

4.1 *Quality of Materials and Work:* Franchisee shall construct and maintain its System using materials of good and durable quality, and all work involved in the construction, installation, maintenance and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

4.2 *System Characteristics:* During the term hereof Franchisee's Cable System shall meet or exceed the following requirements:

4.2.1 On the Effective Date, the System shall be an active two-way plant designed to provide for a minimum channel capacity of not less than 77 channels

4.2.2 The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for the selection or use of including video-on-demand, pay-per-view, and other premium Cable Services.

4.3 *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods, to the extent required by law and voluntarily agreed upon by Franchisee, or finally required by Order of the Public Service Commission (after exhaustion of any Franchisee challenges to same, if any).

4.4 *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and the State of New York, including the NY PSC's rules and regulations and the current New York EAS Plan, in order that emergency messages may be distributed over the System.

5. PEG SERVICES

5.1 *PEG Set Aside:*

5.1.1 Franchisee shall provide capacity for one (1) dedicated Public Access Channel, one (1) dedicated Educational Access Channel, and one (1) dedicated Government Access Channel (collectively, "PEG Channels"). If required by applicable law, the PEG Channels shall be provided on Franchisee's Basic Service tier.

5.1.2 The programming to be carried on each of the PEG Channels set aside by Franchisee is reflected in **Exhibit C** attached hereto. The LFA hereby authorizes Franchisee to transmit such programming within and outside LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. If a PEG Channel provided under this Article is not being utilized by the LFA, Franchisee may utilize such PEG Channel, in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose in accordance with Section 895.4 of the NY PSC rules and regulations.

5.1.3 Franchisee shall provide the technical ability to play back pre-recorded programming provided to Franchisee consistent with this Section. Franchisee shall transmit programming consistent with the dedicated uses of PEG Access Channels. Franchisee shall comply at all times with the requirements of Section 895.4 of the NY PSC rules and regulations.

5.2 PEG Access Interconnection:

5.2.1 The LFA has designated the following two (2) LFA municipal sites within the Franchise Area for the interconnection of the Educational and Governmental Access facilities with the Cable System ("EG Access Interconnection Sites"):

- (i) Village of Rockville Centre, Utilities Building, 110 Maple Avenue, Rockville Centre, NY 11570 (the "Government Access Interconnection Site"); and
- (ii) South Side High School, 128 Shepherd Street, Rockville Centre, NY 11570 (the "Educational Access Interconnection Site")

5.2.2 Consistent with NY PSC rules and regulations, Franchisee shall continue to provide a link between its video channel aggregation point and the EG Access Interconnection Sites throughout the Term of the Franchise in order to permit the signals to correctly routed from the EG Access Interconnection Sites to the appropriate EG Access Channels for distribution to Subscribers.

5.2.3 The LFA shall continue to provide to Franchisee at the EG Access Interconnection Sites and the Governmental Content Origination Point a suitable video signal and a suitable audio signal for each of the Educational and Governmental Channel(s), including any signal from any EG content origination points provided or maintained by any other cable service provider in the Service Area, throughout the Term of the Franchise. Franchisee, upon receipt of the suitable video signal, shall provide, install and maintain in good working order the equipment necessary for transmitting the Educational and Governmental signals to its video channel aggregation site for further processing for distribution to Subscribers. Franchisee's obligation with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of suitable required space, environmental conditions, electrical power supply, access, pathway and other facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill its obligations.

5.3 *PEG Grant:* Franchisee shall provide to the LFA a grant (the “PEG Grant”) in the total amount of Eighty Thousand Dollars (\$80,000.00) payable in four equal Twenty Thousand Dollar (\$20,000) installments, with the first payment due and payable within forty-five (45) days of the Effective Date, the second payment due and payable on the first (1st) day of the thirtieth (30th) month after the Effective Date; the third payment due and payable on the first (1st) day of the sixtieth (60th) month after the Effective Date; the fourth payment due and payable on the first (1st) day of the ninetieth (90th) month after the Effective Date. In the event that other providers do not have an obligation to make PEG Grant payments to the LFA on or after the date of Franchisee’s obligation to make its third or fourth payment, Franchisee shall have no obligation to make its third or fourth PEG Grant payments, and the PEG Grant shall be deemed satisfied in full. Such PEG Grant shall be used solely by the LFA for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities.

5.3.1 The payment of the PEG Grant shall be contingent upon the LFA imposing, at a minimum, the same total or proportional PEG financial obligation to the one contained in Section 5.3 above in a renewal franchise agreement, confirmed by an order issued by the NY PSC, of the existing cable service provider within the Franchise Area. Additionally, the LFA agrees that it shall impose, at a minimum, the same total or proportional PEG financial obligation to the one contained in Section 5.3 above in the franchise agreements of any new providers of cable service in the Franchise Area.

5.3.2 Upon request, the LFA shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 5.3.

5.4 *Indemnity for PEG:* The LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a PEG facility or Channel. The LFA shall establish rules and regulations for use of PEG facilities, consistent with, and as required by, 47 U.S.C. § 531.

5.5 *Recovery of Costs:* To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of the PEG Grant or any other costs arising from the provision of PEG services from Subscribers, and to include such costs as a separately billed line item on each Subscriber’s bill. Without limiting the forgoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection and any franchise-related costs to Subscribers.

5.6 *No PEG Access Designee Rights:* The LFA and the Franchisee herein acknowledge and agree that any PEG Access Designee is not a party to this Franchise and that any

provisions herein that may affect a PEG Access Designee are not intended to create any rights on behalf of any PEG Access Designee.

6. FRANCHISE FEES

6.1 *Payment to LFA:* Beginning sixty (60) days after the effective date of this Agreement, Franchisee shall pay to the LFA a Franchise Fee of five percent (5%) of annual Gross Revenue (the “Franchise Fee”). In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be made quarterly no later than forty-five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

6.2 *Delivery of Payments:* Franchisee may use electronic funds transfer to make any payments to the LFA required under this Agreement.

6.3 *Supporting Information:* A brief report prepared by a representative of the Franchisee showing the basis for the Franchise Fee computation shall be provided to the LFA.

6.4 *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for the commencement of any action for recovery of any Franchise Fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due, but cannot exceed the date of records retention reflected in Article 7.

6.5 *Bundled Services:* If Franchisee provides a Bundled Service to Subscribers, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders.

6.6 *Section 626 Treatment:* Franchisee agrees that it will not apply the Franchise Fee as an offset against the special franchise tax payable to the LFA pursuant to N.Y. Real Property Tax Law Section 626 beginning in the next full calendar month following the issuance by the NY PSC of an order confirming this agreement. The LFA agrees that it shall impose the same full and complete waiver of the special franchise tax offset upon all existing and new providers of Cable Service or cable service (as such term may be defined by other providers) in the Service Area to be expressed in writing in all existing (if amended prior to renewal) or future initial and renewal franchise agreements. Notwithstanding the above, if an existing or new cable provider uses its offset right against the special franchise tax during the term of this Agreement, then Franchisee may also use its offset right and the above waiver is no longer in effect. The operation of this Section 6.5 shall be strictly limited to Franchise Fees lawfully imposed upon Cable Service, and shall not be construed to affect the Franchisee's rights under any provision of State or Federal law regarding the provision of services other than Cable Service.

6.7 Section 6.5.1 will no longer be valid and Franchisee may immediately begin applying the Franchise Fee as an off-set to the special franchise tax as provided for in N.Y. Real

Property Tax Law Section 626 if (a) the LFA enters into a new or renewal cable franchise agreement with a VSP and does not include a provision in the agreement that is substantially similar to Section 6.5.1, above, in restricting the use of a Franchise Fee as an off-set to the special franchise tax; (b) the LFA otherwise permits a VSP to use a Franchise Fee as an off-set to the special franchise tax; or (c) a VSP subject to a Franchise Fee by the LFA uses the Franchise Fee as an off-set to the special franchise tax with the knowledge of the LFA.

7. REPORTS AND RECORDS

7.1 *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Any such inspection by the LFA shall be completed in an expeditious and timely manner. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than five (5) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as proprietary and confidential under Section 87(2)(d) of the New York Public Officers Law, and shall only disclose it to employees, representatives, and agents thereof who the LFA deems to have a need to know, or in order to enforce the provisions hereof. For purposes of this section, "proprietary and confidential" information includes, but is not limited to: information related to the Cable System design, trade secrets, Subscriber lists, marketing plans, financial information; or other information that is reasonably determined by the Franchisee to be competitively sensitive. If the LFA receives a request under FOIL, or similar law for the disclosure of information that the Franchisee has designated as confidential, trade secret or proprietary, the LFA shall notify the Franchisee of such request. If the LFA determines in good faith that public disclosure of the requested information is required under FOIL, the LFA shall so notify Franchisee and, before making the disclosure, shall give Franchisee a reasonable period of time to seek to obtain judicial redress to preclude disclosure. Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

7.2 *Records Required:* Franchisee shall at all times maintain:

7.2.1 Records of all written complaints for a period of three (3) years after receipt by Franchisee. The term "complaint" as used herein refers to complaints about any aspect of the Cable System or Franchisee's cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

7.2.2 Records of outages for a period of three (3) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

7.2.3 Records of service calls for repair and maintenance for a period of three (3) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

7.2.4 Records of installation/reconnection and requests for service extension for a period of three (3) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

7.2.5 A map showing the area of coverage for the provisioning of Cable Services.

7.3 *System-Wide Statistics:* Subject to the requirements of Section 895.1(t) of the NY PSC rules and regulations, any valid reporting requirement in the Franchise may be satisfied with system-wide statistics, except those related to Franchise Fees and consumer complaints.

8. INSURANCE AND INDEMNIFICATION

8.1 *Insurance:*

8.1.1 Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise term, the following insurance coverage:

8.1.1.1 Commercial General Liability Insurance in the amount of seven million dollars (\$7,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System and the conduct of Franchisee's Cable Service business in the LFA applicable to a standard form general liability insurance policy.

8.1.1.2 Automobile Liability Insurance in the amount of seven million dollars (\$7,000,000) combined single limit for bodily injury and property damage coverage.

8.1.1.3 Workers' Compensation Insurance in conformity with legal requirements of the State of New York.

8.1.1.4 Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; \$500,000 policy limit.

8.1.1.5 Excess liability or umbrella coverage of not less than ten million dollars (\$10,000,000).

8.1.1.6 The limits above may be satisfied with a combination of primary and excess coverage.

8.1.2 The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance, and Employer's Liability Insurance. The LFA is an additional insured under the excess liability or umbrella coverage to the extent that it is named an additional insured under the underlying primary policies.

8.1.3 Each of the required insurance policies shall be noncancellable except upon thirty (30) days prior written notice to the LFA. Franchisee shall not cancel any required insurance policy without submitting documentation to the LFA verifying that the Franchisee has obtained alternative insurance in conformance with this Agreement.

8.1.4 Each of the required insurance policies shall be with insurance companies qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition. In the event Franchisee's insurance carrier is downgraded to a rating of lower than Best's A-, Franchisee shall have ninety (90) days to obtain coverage from a carrier with a rating of at least Best's A-.

8.1.5 Upon written request, Franchisee shall deliver to the LFA copies of Certificates of Insurance showing evidence of the required coverage. With respect to any policy of insurance in which the LFA is required to be named as an additional insured, Franchisee shall provide to the LFA, upon written request, appropriate endorsements to each such policy.

8.2 *Indemnification:*

8.2.1 Franchisee agrees to indemnify the LFA for, and its officers, boards, elected officials and employees for, and hold them harmless from, all liability, damage, cost or expense arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees, or infringement of copyright or patent rights arising from Franchisee's provision of Cable Services over the Cable System other than PEG facilities and PEG Access Channels, provided that the LFA shall give Franchisee timely written notice of a claim or action for which it seeks indemnification pursuant to this Subsection; and, in any event, the LFA shall provide Franchisee with written notice within a sufficient period of time that allows Franchisee to take action to avoid entry of a default judgment and does not prejudice Franchisee's ability to defend the claim or action. Notwithstanding the foregoing, Franchisee shall not indemnify the LFA for any damages, liability or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, attorneys, consultants, independent contractors or third parties or for any activity or function conducted by any Person other than Franchisee in connection with PEG Access or EAS.

8.2.2 With respect to Franchisee's indemnity obligations set forth in Subsection 8.2.1, Franchisee shall provide the defense of any claims brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the LFA from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA,

Franchisee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA and the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

8.2.3 The LFA shall hold harmless and defend Franchisee from and against and shall be responsible for damages, liability or claims resulting from or arising out of the willful misconduct or negligence of the LFA.

8.2.4 The LFA shall be responsible for its own acts of willful misconduct, negligence, or breach, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the LFA for acts of the LFA which constitute willful misconduct or negligence on the part of the LFA, its officers, employees, agents, attorneys, consultants, independent contractors or third parties employed or retained by the LFA.

9. TRANSFER OF FRANCHISE

9.1 *Transfer:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, for any transaction in which Franchisee retains the right, title or interest in the Franchise granted to it herein, for any transaction that is subject to approval by the NY PSC, or for transactions otherwise excluded under Section 1.33 above.

10. RENEWAL OF FRANCHISE

10.1 *Governing Law:* The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 12.11 below, the Cable Law and Section 626 of the Communications Act, 47 U.S.C. § 546, as amended.

10.2 *Needs Assessment:* In addition to the procedures set forth in Section 626 of the Communications Act, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then current Franchise term. Such assessments shall be provided to Franchisee by the LFA promptly so that Franchisee will have adequate time to submit a proposal under 47 U.S.C. § 546 and complete renewal of the Franchise prior to expiration of its term.

10.3 *Informal Negotiations:* Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise,

while affording the public appropriate notice and opportunity to comment, the LFA and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

10.4 *Consistent Terms*: Franchisee and the LFA consider the terms set forth in this Article 10 to be consistent with the express provisions of 47 U.S.C. § 546 and the Cable Law.

11. ENFORCEMENT AND TERMINATION OF FRANCHISE

11.1 *Notice of Violation*: If at any time the LFA believes that Franchisee has not complied with the terms of the Franchise, and the LFA chooses to pursue compliance, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the LFA shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the “Noncompliance Notice”).

11.2 *Franchisee’s Right to Cure or Respond*: Franchisee shall have sixty (60) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such sixty (60) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which Franchisee projects that it will complete cure of such noncompliance. Upon notification by Franchisee to the LFA of the cure of any noncompliance, and the LFA confirming such cure, the LFA shall provide written acknowledgment that such cure has been effected.

11.3 *Public Hearing*: The LFA shall schedule a public hearing if the LFA seeks to continue its investigation into the alleged noncompliance (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied or commenced to remedy the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above. The LFA shall provide Franchisee at least sixty (60) business days prior written notice of such public hearing, which will specify the time, place and purpose of such public hearing, and provide Franchisee the opportunity to be heard.

11.4 *Enforcement*: Subject to Section 12.11 below and applicable federal and state law, in the event the LFA, after the public hearing set forth in Section 11.3, determines that Franchisee is in default of any provision of this Franchise, the LFA may:

11.4.1 Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

11.4.2 Commence an action at law for monetary damages or seek other equitable relief; or

11.4.3 In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 11.5.

11.5 *Revocation*: Should the LFA seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Section 11.3, the LFA shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

11.5.1 At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing.

11.5.2 Following the Revocation Hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions to the LFA in writing and thereafter the LFA shall determine (i) whether an event of default has occurred under this Franchise; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The LFA shall also determine whether it will revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that it will revoke the Franchise, the LFA shall promptly provide Franchisee with a written determination setting forth the LFA's reasoning for such revocation. Franchisee may appeal such written determination of the LFA to an appropriate court, which shall have the power to review the decision of the LFA *de novo*. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Franchisee's receipt of the written determination of the LFA.

11.5.3 The LFA may, at its sole discretion, take any lawful action that it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

11.6 *Abandonment of Service*: Franchisee shall not abandon any Cable Service or portion thereof without the LFA's prior written consent as provided in the Cable Law.

12. MISCELLANEOUS PROVISIONS

12.1 *Actions of Parties*: In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2 *Binding Acceptance*: This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees,

successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

12.3 *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4 *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in practical difficulties and hardship being placed upon Franchisee that outweigh the benefit to be derived by the LFA and/or Subscribers.

12.5 *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, or by overnight courier to the addressees below. Each party may change its designee by providing written notice to the other party.

12.5.1 Notices to Franchisee shall be mailed to:

Altice USA, Inc.
1 Court Square West
Long Island City, NY 11101
Attention: Vice President,
Government Affairs

12.5.2 with a copy to:

Cablevision Systems Long Island Corporation
c/o Altice USA, Inc.
1 Court Square West
Long Island City, NY 11101
Attention: Legal Department

12.5.3 Notices to the LFA shall be mailed to:

Mayor, Village of Rockville Centre
PO Box 950
One College Place

Rockville Centre, NY 11571-0950

12.5.4 with a copy to:

Village Administrator, Village of Rockville Centre
PO Box 950
One College Place
Rockville Centre, NY 11571-0950

Notwithstanding anything herein to the contrary, regulatory notices from Franchisee to the LFA which are required pursuant to state and/or federal rules and regulations may be served electronically upon the LFA, instead of by first class mail as described above, to an email address provided by the LFA.

12.6 *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any local laws or parts of local laws that materially conflict with the provisions of this Agreement are superseded by this Agreement.

12.7 *Amendments and Modifications:* Amendments and/or modifications to this Franchise shall be mutually agreed to in writing by the parties and subject to the approval of the NY PSC pursuant to the Cable Law, except as provided herein.

12.8 *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

12.9 *Severability:* If any section, subsection, sub-subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sub-subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise.

12.10 *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

12.11 *Fiber Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee's Fiber Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the Fiber Network or to relocate the Fiber Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow

Franchisee from providing Cable Services. This provision is not intended to contravene leased access requirements under Title VI or PEG requirements set out in this Agreement.

12.12 *NY PSC Approval:* This Franchise is subject to the approval of the NY PSC. Franchisee shall file an application for such approval with the NY PSC within sixty (60) days after the date hereof. Franchisee shall also file any necessary notices with the FCC.

12.13 *Rates and Charges:* The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law.

12.14 *Publishing Information:* LFA hereby requests that Franchisee omit publishing information specified in 47 C.F.R. § 76.952 from Subscriber bills.

12.15 *Employment Practices:* Franchisee will not refuse to hire, nor will it bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, color, national origin, or sex.

12.16 *Customer Service:* Franchisee shall comply with the consumer protection and customer service standards set forth in Parts 890 and 896 of the NY PSC rules and regulations.

12.17 *No Third Party Beneficiaries:* Except as expressly provided in this Agreement, this Agreement is not intended to, and does not, create any rights or benefits on behalf of any Person other than the parties to this Agreement.

12.18 *LFA Official:* The Mayor of the LFA or representative of the Mayor is the LFA official that is responsible for the continuing administration of this Agreement.

12.19 *No Waiver of LFA's Rights:* Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall be construed as a waiver of the LFA's rights under applicable federal and state law.

12.20 *Identification of Franchisee's Employees, Contractors and Subcontractors:*

Each employee of the Franchisee who routinely comes into contact with members of the public at their place of residence must wear a picture identification card clearly indicating his or her employment with the Franchisee. The photograph on the identification card shall prominently show the employee's name and/or identification number. Such employee shall prominently display such identification card and shall show it to all such members of the public. Each employee of any contractor or subcontractor of the Franchisee who routinely comes into contact with members of the public at their place of residence must wear a picture identification card clearly indicating his or her name, the name of such contractor or subcontractor, and the name of the Franchisee.

12.20.1 . Except if prohibited by law written and approved after the effective date of the Agreement regulating door-to-door solicitation or other sales activities undertaken on public or private property within the LFA, including any licensing or permit obligations required for such activities, the obligations set forth in Section 12.20 of this Agreement shall be the sole conditions governing the authorization and identification required for the entrance onto public or private property imposed upon Franchisee or its employees, agents, contractors or subcontractors for the purpose of selling, marketing or promoting services offered by Franchisee to residents of the LFA. Notwithstanding anything herein to the contrary, Franchisee agrees that it employees, agents, contractors and subcontractors shall not enter upon any private property for purposes of solicitation where the property is posted "no soliciting", or is similarly posted, or where the property is included on a non-solicitation list maintained by the LFA and provided to Franchisee

12.21 *Level Playing Field:*

12.21.1 The parties agree that, as of the Effective Date, the terms and conditions of this Agreement are in compliance with the level playing field requirements of the NY PSC.

12.21.2 In the event that the LFA grants or renews another franchise(s), or similar authorization(s), for the construction, operation and maintenance of any communication facility which shall offer substantially equivalent services to those offered by Franchisee over the System, it shall not make the grant or renewal on more favorable or less burdensome terms than are contained herein. The LFA shall provide Franchisee written notice of any public hearing or other official action related to such proposed grant or renewal of a franchise or similar authorization. If Franchisee finds that a proposed franchise, franchise renewal or similar authorization contains provisions imposing less burdensome or more favorable terms than are imposed by the provisions of this Agreement, then Franchisee will identify those terms to the LFA in writing in advance of any vote to adopt the franchise, franchise renewal or similar authorization and, if the LFA approves such franchise, franchise renewal or similar authorization for the other provider with the identified terms, or any subsequent modification thereof, then those terms identified in writing by the franchisee with acceptance and memorialized in writing by the LFA shall become the operative terms in this Agreement, in lieu of existing terms, upon the effective date of the other franchise, franchise renewal or similar authorization.

12.21.3 In the event that a non-franchised multi-channel video service provides service to residents of the LFA, the Franchisee shall have a right to petition for

amendments to the Franchise that relieve the Franchisee of burdens that create a competitive disadvantage to the Franchisee. Such petition shall: i) indicate the presence of a non-franchised competitor(s); ii) identify the basis for Franchisee's belief that certain provisions of this Agreement place Franchisee at a competitive disadvantage; iii) identify the provisions of this Agreement to be amended or repealed in order to eliminate the competitive disadvantage. The LFA shall not unreasonably deny Franchisee's petition.

12.21.4 Nothing in this Section 12.21 shall be deemed a waiver of any remedies available to LFA or Franchisee under federal, state or municipal law, including but not limited to section 625 of the Cable Act, 47 U.S.C. Section 545.

12.22 *Counterparts*: This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Further, this Agreement may be executed by facsimile, email, electronic signature or other electronic means, and so executed shall have the full force and legal effect as an executed original of this Agreement.

AGREED TO THIS _____ DAY OF _____, 2021.

VILLAGE OF ROCKVILLE CENTRE:

By: _____
Francis X. Murray, Mayor

CABLEVISION SYSTEMS LONG ISLAND CORPORATION

Name:
Title:

EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

EXHIBIT A

MUNICIPAL BUILDINGS SUBJECT TO SECTION 3.3

<u>Public Buildings</u>	<u>Addresses</u> (Rockville Centre, NY 11570)
Village Hall	1 College Place
Building Department	110 Maple Avenue
Police Dept	34 Maple Avenue (or 142 Maple Avenue)
Public Utilities	110 Maple Avenue
Water Department	142 Maple Avenue
Recreation Center	111 N Oceanside Road
Senior Center	50 S Park Avenue
DPW	10 Sunrise Highway
MLK Center	150 N Centre Avenue
Fire Prevention Office	1 College Place (Rear of Municipal Bldg)
Fire Headquarters	59 N Centre Avenue
Reliance Fire House	137 N Forest Avenue
Maple Ave Fire House	103 Maple Avenue
Defenders Fire House	39 S Centre Avenue
Woodlands Fire House	20 Driscoll Avenue
Auxiliary Police	Chester/Park Avenue
Jennie E. Hewitt School	446 DeMott Ave.
Riverside School	110 Riverside Drive
Floyd B. Watson School	277 North Centre Avenue
Francis F. Wilson School	25 Buckingham Road
South Side Middle School	67 Hillside Avenue
South Side High School	140 Shepherd Street
Administration Building	128 Shepherd Street
St. Agnes Cathedral Elementary School	70 Clinton Avenue
Public Library	221 N Village Avenue
Rosa Lee Young Childhood Center	180 N Village Avenue
Greenhouse	189 Sunrise Highway

William S. Covert School*	379 Willow Street
Rockville Centre Sports Complex*	Peninsula Boulevard

* The parties acknowledge that this location is outside the Service Area and that Altice USA will provide free cable service to this location under this Agreement; provided that, the Franchisee has an effective franchise agreement with the municipality where the buildings are located.

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EXHIBIT B

FRANCHISE AREA/SERVICE AREA

The Service Area shall be the Franchise Area. The construction of the Franchisee's Fiber Network has been completed throughout the Service Area subject only to Sections 3.1. and 3.2 of the Franchise, and accordingly it is not necessary to provide any additional details concerning the construction and/or deployment time tables and areas within the Service Area, nor is a map of the Service Area necessary.

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EXHIBIT C
PEG CHANNELS

The Franchisee shall provide PEG Access Channels pursuant to the Cable Law.

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